

Virgin River Adjudication and thus does not constitute a lease or sale of St. George's water rights, water supply or waterworks contrary to Article XI, Section 6 of the Utah Constitution.

8.0 SHIVWITS REUSE WATER RIGHT.

Beginning on the Enforceability Dates of this Agreement and the Settlement Agreement, the Shivwits Band, and the United States for the benefit of the Shivwits Band, shall be entitled in perpetuity to the Shivwits Reuse Water, in accordance with the terms of this Agreement, and delivered to the Point of Delivery in accordance with the Delivery Schedule. The Shivwits Band shall have the first priority to the reuse water provided from the St. George Water Reclamation Facility.

9.0 USE AND LEASING OF SHIVWITS REUSE WATER.

9.1 The Shivwits Band may use and lease its right to the Shivwits Reuse Water:

(a) for any purpose permitted by Tribal or Federal law anywhere on the Shivwits Reservation and such use shall not be subject to State or local law, regulation or jurisdiction; and

(b) for any beneficial use off the Shivwits Reservation in accordance with all applicable federal and State laws.

9.2 In any evaluation of a change application filed on the Shivwits Reuse Water, the State Engineer of Utah shall assume that there is total consumptive use of the Shivwits Reuse Water on the Reservation. In the event that an agreement for Alternative Water is executed by the Parties, St. George shall bear the risk of any depletion losses required by the State Engineer that might occur if Alternative Water is used off the Shivwits Reservation.

9.3 The Shivwits Reuse Water shall not be subject to loss by abandonment, forfeiture or non-use, whether used on or off the Shivwits Reservation.

10.0 ENFORCEABILITY DATE OF AGREEMENT

This Agreement shall become effective and enforceable only on the Enforceability Date, which is the date upon which all of the following have been accomplished:

10.1 Execution of this Agreement by the Parties hereto;